



# Annual Report 2017

**Association of Public Finance Accountants of Sri Lanka**

**No. 30 A, Malalasekera Mawatha, Colombo 07. Sri Lanka**

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# President's Message



I have great pleasure in presenting the Annual Report and the Audited Financial Statements of the Association of Public Finance Accountants of Sri Lanka (APFASL), the Public-Sector Wing of CA Sri Lanka for the year ended 31<sup>st</sup> December, 2018.

We have reached a significant milestone in achieving our objectives during the year. Our achievements enabled us to bring unique positioning of our association by getting international recognition.

## **The award of the CPFA Qualification**

The award of the CPFA Qualification to our members occupying senior positions with the blessings from His Excellency the President and Hon Prime Minister has created great enthusiasm among the Public Sector Financial Management personnel who are willing to join the association. Consequent to the launch of the new qualification to the Public Sector in collaboration with the Chartered Institute of Public Finance Accountants (CIPFA) London under the MOU, we have been working very closely with them and developed a very strong relationship. Our relationship has been very cordial and had been very successful in negotiating and signing supplementary agreement to recognize our CPFA members for their membership. In terms of the supplementary agreement signed with them, CIPFA will be offering their membership to all CPFA Members enabling them to have dual qualification one from CA Sri Lanka and the other from CIPFA London without any additional cost. CIPFA is currently developing an International Members Portal which we believe would be of great benefit to our members to raise their professional status and career developments.

## **Setting up Task Forces and Sub Committees**

We have set up a Central Task Force and nine Provincial Task Forces to work together along with three Sub Committees to assist the association in performing its tasks effectively involving the membership. With the current developments we could see a tremendous interest shown by the membership to work closely with the Association.

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## **Taking Leadership in strengthening Public Financial Management**

While paying attention to professionalizing its membership the Association has been taking the leadership in strengthening Public Financial Management in the country. Adoption and implementations of Public Sector Accounting standards, conducting Best Annual Report and Accounts Award Competitions, providing Capacity Development Programs, Continuous Professional Development Programs (CPD), introduction of Simplified Uniform Accounting System through a single public sector accounting standard for local authorities are some of them.

### **Government Recognition**

Secretary to the Treasury having recognized these developments expressed the view that the knowledge gathered to develop their career through the CPFA qualifications will be beneficial to successfully accomplish their duties as public officers. He has issued a circular addressed to all Secretaries to Ministers, Heads of Departments, Chief Secretaries and District Secretaries requesting them to facilitate the Public-Sector Members to gain maximum benefits from the services provided by the Associations and that the subscription could be paid or reimbursed by the Government Agency to which the members are attached. This is a major break-through.

### **Appreciation**

A successful journey of this magnitude would not have been possible without the support of the Board of Management, President, Vice President and the Council of Management, CEO and the staff of CA Sri Lanka, Secretary and Staff of the Association.

### **Going Forward**

I am fully convinced that the Public-Sector Wing of CA Sri Lanka is now geared to take off the ground to fly high elevating the professional status of it's members.



**V. Kanagasabapathy**  
President.

## 2. About Our Association

### 2.1 Establishment

The Association of Public Finance Accountants of Sri Lanka was established on 1<sup>st</sup> January 2012 in terms of Articles of Constitution approved by the Council of CA Sri Lanka

### 2.2 Vision

Leading the way to excellence in Public Financial Management

### 2.3 Mission

Provide leadership and initiative to the members enhance their professional status and skills thereby make a greater contribution to the Economic Development of Sri Lanka.

### 2.4 Objectives

1. Capacity building among public sector financial management professionals by launching professional qualification on public financial management and conducting professional development programmes.
2. Improving public sector financial reporting by rolling out Sri Lanka Public Sector Accounting Standards through training materials and training manuals.
3. Conducting seminars and workshops on public financial management.
4. Conducting conferences with regional participation on public sector financial reporting and public sector auditing.
5. To provide, or arrange for the provision of seminars conferences and training leading to the professional qualification of Chartered Public Finance Accountant.
6. To award scholarships, certificates and diplomas to persons who have completed the courses, and achieved proficiency.
7. To specify the qualification for membership of the Association and the standards of professional conduct to be maintained by members of the Association, and to ensure the maintenance thereof.
8. To establish and maintain libraries and documentation centers and to provide services to members in other related areas such as finance, auditing and related fields.
9. To provide a platform for Public Finance Accountants to develop their leadership and entrepreneurial skills.
10. To promote the interests, welfare, rights and privileges of the profession of Public Finance Accountants and the interest of the public in relation to that profession and of persons desiring to qualify as Chartered Public Finance Accountants.
11. To enhance the competence of members through a continuing Professional Development Programs.
12. To create opportunities for Public Finance Accountants, to build up a close relationship with the Association and its activities and also to encourage them to develop their network in the field of their own profession and other communities.
13. To conduct disciplinary inquiries related to members in case of misconduct.
14. To liaise with universities with a view to conduct programs leading to further education.

## 2.5 BOARD OF MANAGEMENT 2016

### President

**Mr. V. Kanagasabapathy.**

MPA (Harvard), CPFA (London) FCA, FPFA, FCMA  
Advisor, Hotel Developers (Lanka) PLC

### Vice President

**Mr. Gamini Wijesinghe**

FCA, MA(Econ), B.Sc, FCMA, FPFA  
Auditor General

### Board Members

**Mr. Jagath Perera**

FCA ,B.Sc.(Bus.Admn) Sp. CFE(USA)  
President CA Sri Lanka

**Mr. Manil Jayasinghe**

FCA, FCMA(UK), CPFA(UK)  
Vice President CA Sri Lanka

**Mr. W.P.C. Wickramaratne**

FCA, B.Com (Hon) Sp, ACMA  
Additional Auditor General

**Mr. S.G. Senarathana.**

FCA, FCMA, CPFA(UK), B.Com(Sp)  
Director General, State Accounts

**Mr. P.Algama.**

MBA, B.com (Sp) , CPA, CPFA  
Director General , Public Finance

**Mr. D.M.L.I. Dissanayake**

Bsc. FPFA, Dip.in Eng,  
Commissioner General, Inland Revenue

**Mr. G.D.S. Jayaratne.**

B.Com. (Sp),MPM, (SLIDA),MA(Fin.Eco.),  
Commissioner, Inland Revenue

**Mr. E.A.G. Ananda.**

CPFA ,M.Com, PGD, DPFM, FPFA  
Deputy Auditor General,

### Treasurer

**Mr. M.R.V.R Meepura**

ACA, B.Com, (Sp HRM), MBS .Col)  
Director Public Enterprises, General Treasury

### Secretary

**Mr. Ananda Amarawansa**

FCA,FCMA,CPFA(UK),B.Com(Sp),BA,MA(Fin.Eco)  
Consultant, Public Sector, CA Sri Lanka

### Out going Members

**Mr. K.L. Perera**

B.Com, FCA, FPFA  
(Former Secretary Retired on 02.10.2017)

**Mr. M.D.A. Harold**

HNDip.A., MAAT, DPFM, FPFA  
Retired Deputy Auditor General  
(Maximum Period of six years completed on 31.12.2017)

### 3. BOARD OF MANAGEMENT AS AT DATE AND THEIR PROFILES



**Mr. V. Kanagasabapathy**  
**President**

Mr. V. Kanagasabapathy holds a Master's Degree in Public Administration from Harvard University, U.S.A. and is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, Association of Public Finance Accountants, and Institute of Certified Management Accountants of Sri Lanka. He is also a member of the Chartered Institute of Public Finance Accountants (CIPFA) London.

He is presently an Advisor to the Board of Hotel Developers (Lanka) PLC (Fully Owned Government Company Owning Hilton Colombo). In addition he serves as a member of the Finance Commission and member of the University Council of Jaffna. He is the President of the Association of Public Finance Accountants, the public sector wing of the Institute of Chartered Accountants of Sri Lanka and Past President of the Institute of Public Finance and Development Accountancy.

He serves as a Chairman of the Public Sector Accounting Standards Committee and member of the Governmental and Public Sector Enterprise Accounting Committee of the South Asian Federation of Accountants.

Mr. Kanagasabapathy has over forty years of service in the public sector in several senior capacities and retired as Director General of Public Enterprises and served as Financial Management Advisor to the Ministry of Finance & Planning and Senior Financial Consultant of the Academy of Financial Studies in the Treasury. He has also served as a Financial Management Reform Coordinator in the Ministry of Finance & Planning.

He served as a member of the Board of Bank of Ceylon, People's Bank, State Mortgage & Investment Bank, Merchant Bank of Sri Lanka and several other Boards of Public Enterprises. He has also served as Director/Financial Consultant of the Associated Newspapers of Ceylon Limited and Executive Director of Hotel Developers (Lanka) PLC



**Mr. H.M. Gamini Wijesinghe**  
**Vice President**

Mr. H.M. Gamini Wijesinghe, Auditor General of Sri Lanka holds a Master Degree in Economics from the University of Kyung He in Korea and B.Sc in Public Administration (Special) Degree from the University of Sri Jayawardenepura. He is a fellow member of the Institute of Chartered Accounts of Sri Lanka. Mr. Gamini assumed duties as the 40<sup>th</sup> Auditor General of Sri Lanka on November 27, 2015. Prior to this, he has functioned as the Director General of the Sri Lanka Accounting and Auditing Standards Monitoring Board. He has 30 years of experience in various capacities as Senior Assessor, Deputy Commissioner, Commissioner and Senior Commissioner in the Department of Inland Revenue, Sri Lanka which ascertains tax liabilities of thousands of tax payers.



**Mr. Jagath Perera**  
**Member**

**President of CASri Lanka**

Mr. Jagath Perera is the President of Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) for the term 2018/2019 and has served as a Member of the Council since 2010.

Currently he serves as the chairman of Operations Review Committee of CA Sri Lanka and he was the chairman of Examination and the Student Training and Development Committee. Mr. Jagath is a member of Ethics and Independent Committee and SMP Committee of the SAFA and also a member of Public Finance Management Committee of CAPA.

He serves as a board member of Sri Lanka Accounting and Auditing Standards Monitoring Board. Mr. Jagath is a member of the Institute of Internal Auditors and a Certified Fraud Examiner of USA.

He is a Partner at KPMG in Sri Lanka since 2001 and the Partner in charge of Maldives and at present Mr. Jagath heads Risk Consulting and Forensic Services of the firm.



**Mr. Manil Jayesinghe**  
**Member**

**Vice president of CASri Lanka**

Mr. Jayesinghe is a member of the International Accountancy Education Standards Boards of the International Federation of Accountants (IFAC) and member of the Committee on Education, Training and CPD and Member of the Task Force to implement Basel-II Report in SAARC Countries of South Asian Federation of Accountants (SAFA). Member of the Exemptions & Reciprocal Arrangements Committee, Financial Reporting Standards Implementation and Interpretation Committee and Curriculum Review Task Force, Member of the Auditing Standards Committee, Chairman of the Accounting Standards Committee. Ex-Officio member to the Governing council of CMA Sri Lanka. He also serves as the Chairman of the Finance & Administration Committee & International Relations Committee of CA Sri Lanka.





**Mr. W.P.C. Wickramaratne**  
**Member**  
**Additional Auditor General**

Mr. Wickramaratne has commenced his career as an Audit Examiner in the Auditor General's Department in 1988 and left the Department in 1992 to serve as a Government Accountant for nearly one year. Later on he again joined the Auditor General's Department as a Superintendent of Audit in 1992 and was appointed as Deputy Auditor General in 2007 and later on promoted to the post of Additional Auditor General. He was granted no pay leave and worked in Saudi Arabia as a Divisional Accountant in a Private Company for nearly four years. His Excellency the President has appointed Mr. Wickramaratne to act in the post of the Auditor General for the period from 1st November 2014 to 28th November 2015.

Mr. Wickramaratne has graduated with honors from the Kelaniya University in Commerce and later qualified as a Chartered Accountant. He also holds a Diploma in Information Systems Security, Control and Audit. He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA), a Qualified Accountant Member of the Chartered Institute of Public Finance & Accountancy of UK (CIPFA) and Institute of Certified Management Accountants of Sri Lanka (ACMA). He also holds Fellowship in the Institute of Financial Accountants of the United Kingdom (FFA). He is an active member of the Public Sector Accounting Standards Committee of the Institute of Chartered Accountants of Sri Lanka and a member of the Board of Management of the Association of Public Finance Accountants of Sri Lanka, the public sector wing of the Institute of Chartered Accountants of Sri Lanka since its inception.



**Mr. S.G. Senarathne**  
**Member**  
**Director General/ Department of State Accounts**

Mr. Senarathna is a Fellow member of the Institute of Chartered Accountants of Sri Lanka, Society of Certified Management Accountants of Sri Lanka, Institute of Accounting Technicians of Sri Lanka and the Institute of Public Finance and Development Accountancy and member of Chartered Institute of Public Finance and Accountancy, UK.

Mr. Senarathna holds a Bachelor of Commerce (Special Degree) from the University of Sri Jayawardenepura. In addition, he holds Postgraduate Diploma in Public Financial Management (SLIDA) and Higher National Diploma in Commerce (Poli Technical Institution-Kandy).

He is a Special Grade Officer of the Sri Lanka Accountant's Service counting over 33 years of service in the Department of Public Enterprises, Ministry of Finance and Planning, Sri Lanka Samurdhi Authority, Water Supply and Sanitation Project in the National

National Water Supply and Drainage Board and Auditor General's Department. Presently he holds the post of Director General in the Department of State Accounts- General Treasury.

He has a wide range of experience in Financial Management including Project Financing, Monitoring Public Enterprises to ensure Good Governance Practices and Lecturing in the Fields of Financial Management, Public Financial Management, Management Accounting, Financial Accounting and Taxation in Universities, Sri Lanka Institute of Development Administration (SLIDA), Sri Lanka Institute of Advanced Technical Education (SLIATE) and other Higher Educational Institutions.

Mr. .Senarathna has served as a board member of Puttlam Salt Ltd, Manthai Salt Ltd., Lanka Mineral Sand Ltd., Government Officers' Benefit Association and presently serving as a board member in State Mortgage & Investment Bank, Association of Public Finance Accountants of Sri Lanka, Vehicular Emission Trust Fund and Judicial Infrastructure Maintenance Trust Fund.



**Mr. D.M.L.I. Dissanayake**  
**Member**

**Commissioner General of Inland Revenue Department.**

Mr. Ivan Dissanayake plays a main role in the revenue generation process in Sri Lanka being the Commissioner General of Inland Revenue Department.

Mr. Ivan Dissanayake joined the department on 01<sup>st</sup> of August, 1984 and He has been able to reach the highest rank of the departmental hierarchy due to his tremendous commitment and dedication on work. At present being the Head of the Department, he is responsible for the overall activities of the Department of Inland Revenue. He is a graduate of Sri Jayawardenapura University in the stream of Business Administration and obtained a 2<sup>nd</sup> class Upper Division (Special) degree in Bachelor of Science. Business

Administration. Further he has successfully completed Diploma in English for Professionals, conducted by the Sri Lanka Institute of Development Administration (SLIDA) and completed Certificate Course in Taxation and Licentiate Examination in 1982 at the Institute of Chartered Accountants of Sri Lanka (ICASL). He is also a fellow Member and a Board Member of Association of Public Finance Accountants of Sri Lanka (APFASL) since 2012 and a board member of Sri Lanka Accounting & Auditing Standards Monitoring Board (SLAASMB).

While serving in the department he has been participated at several training programs held in various countries from 1998 to 2018, such as Denmark, France, Japan, Malaysia, UK, Mexico on Transfer Pricing Documentation and Country by Country Reporting, Regional Cooperation to Ensure Transparency and to combat Tax Evasion, training programs on Practical Issues of Tax Policy & Tax Administration and Practical Aspects of International Tax Planning and certain forums such as Management Committee Meeting of the Commonwealth Association of Tax Administration, Asia Pacific Regional Tax Conference etc.



**Mr. P. Algama**  
**Member**

**Director General/ Department of Public Finance**

Mr. Algama holds higher education qualifications, Master of Business Administration (MBA) – 2002 Nanyang technology (sing.) University – mit (USA). Bachelor of Commerce (special) degree-university of Kelaniya-1984. CPA – associate member (Australia)-2010, He has experience • in techniques of financial analysis and programming, international monetary fund, Washington dc, USA, from August 1998 to October 1998, public financial management in changing world Kennedy school of government, Harvard University, Boston. He has been using work experience: review and monitor existing systems and procedures of public financial management (PFM) and introduce new systems and procedures. •

preparation of the observation for the minister of finance for cabinet memos. • formulate and develop a government procurement policy framework and guidelines and practices to ensure economy, efficiency, transparency and timeliness in public procurement system. • strengthen the procurement advisory role by providing timely advises, clarifications, training and guidance to government agencies. • create a policy

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frame work and guidance on government assets management and monitoring activities. • appraisal of project proposals of the government agencies in prioritizing the projects to be included in the annual budget. • make recommendations on final budget appropriation, fix budget ceilings and prepare detailed budget for agencies complying with the government policy priorities and legislations. • review and monitor spending and evaluate financial and physical project performances according to the government financial regulations, accounting and auditing practices, and rules and regulations of the government and donor agencies. • provide timely management information to the higher level of the treasury management through budget and expenditure analysis, budget monitoring and performance evaluation reports, and presentation on sectoral budget performances to various stake holders. • provide observations on auditor general's reports and directives on the committee on public accounts. • assist the committee on public accounts (copa) in its examination on the performance of government agencies • preparation of corporate plans, expenditure forecasts, budgets, financial statements, gst, payroll and fringe benefit tax liabilities complying with Australian financial, administrative and tax requirements and legislations. • prepare compliance reports and periodical statutory reporting for the Australian government agencies.



**Mr. M.R.V.R Meepura**  
**Treasurer**

**Director of Public Enterprises.**

Mr. Meepura, M.R.V.R is currently serving as a Director to the Department of Public Enterprises in General Treasury. Additionally, he is serving in the Board of directors to Hector Kobbekaduwa Agrarian Research and Training Institute and invite to the Board of Derector of Sri Lanka Accounting and Auditing Standards Monitoring Board. Mr. Meepura has completed over 18 years or government service in several public institutions including Ministries, departments and Divisional Secretariats. Moreover, he has served as a member of Directors in Chilaw Plantation and Lakdiva Engineering (PVT) Ltd. He earned MBS from University of Colombo and BSc Human Resource

Management with second Class Honors from the University of Sri Jayawardanapura. Mr. Meepura is a fellow member of the Institute of Chartered Accountants of Sri Lanka (FCA), a member of the Institute of Public Finance Accounting United Kingdom (CIPFA) and an associate member of the Institute of Certified Management Accountants of Sri Lanka (ACMA)



**Mr. G.D.S. Jayaratne**  
**Member**

**Commissioner , Inland Revenue**

Jayaratne has joined the public service in 1988 as Audit Examiner in the Auditor General's Department and thereafter he has served in various capacities As a Government Accountant, Assessor, Senior Assessor, Deputy Commissioner and as a Commissioner during last 29 years. From 1991 he has been served in Executive Grades.

He has a B Com (special) 2nd class degree, Master of Public Management (SLIDA), Master in Financial Economics ( University of Colombo), Diploma in English, Chartered Licentiate and MAAT (AAT Sri Lanka)



**Mr. E.A.G. Ananda**  
**Member**

**Deputy Auditor General Of**  
**The Auditor General's Department**

Ethugalage Anura Gotabaya Ananda is a Deputy Auditor General in the Auditor General's Department of Sri Lanka. He has been working in the Department for the last 38 years. At present he is in charge of audit of the institutions under Education, Higher Education and Water Sectors. Ananda obtained his undergraduate degree and Postgraduate Diploma in Accounting and Financial Management from the University of Sri Jayewardenepura and Diploma in Public Finance Management from the Sri Lanka Institute of Development Administration. He has also obtained the Master of Commerce by Research Degree from the La Trobe University, Melbourne, Australia. He is a Chartered

Public Finance Accountant, Associate Member of the Association of Public Finance Accountants of Sri Lanka and a Fellow Member of the Association of Accounting Technicians of Sri Lanka.

During the period of service in the Auditor General's Department he has attended several training programmes and seminars held in various countries such as Australia, Russia, Turkey, Brazil, Indonesia India, Malaysia on Value for Money Auditing, Environmental Auditing, Public Sector Accounting and Financial Management and Performance Auditing etc.



**Mr. Ananda Amarawansa**  
**Secretary**

**Consultant –Public Sector , CA Sri Lanka.**

Mr. W.M.Ananda Amarawansa joint the Sri Lanka Accountants Service In 1982 and assumed duties at then Department of Telecommunication. He has been transferred to the General Treasury in 1992 and served as a Deputy Director Public Enterprises at the time of his premature retirement in 1997. Thereafter, he joint and served in various non-governmental institutions as a Finance Manager and international and national ADB projects as a consultant in the capacity of Financial expert and the reform specialist. He under took the position of Public Sector Consultant at CA Sri Lanka in 2017 after the retirement of Mr. K.L.Perera.

Mr. Ananda Amarawansa holds a Bachelor of Arts and Bachelor of Commerce ( Special) honor degree from the University of Sri Jayawardanapura and post graduate degree in financial economics from the University of Colombo and he is a fellow member of the Institute of Chartered Accountants of Sri Lanka , Certified Management Accountants of Sri Lanka and the Association of Public Finance Accountants of Sri Lanka . He is also a member of the Chartered Institute of Public Finance Accountancy (CIPFA) London.



**Mr. K.L. Perera**  
B.Com, FCA, FPFA  
**Former Secretary**  
(Retired on 02.10.2017)



**Mr. M D A Harold**  
HNDip.A., MAAT, DPFM, FPFA,  
(Maximum Period of six years  
completed on 31.12.2017 )

## 4. REPORT OF THE BOARD OF MANAGEMENT

### 4.1 Introduction

The Board of Management is pleased to submit to its members the Annual Report and Audited Financial Statements of your Association for the financial year ended 31<sup>st</sup> December 2017.

### 4.2 Membership of the Association

Our members serve in Government Institutions, Provincial Councils, Local Authorities and State Owned Enterprises as financial management personnel in various capacities. We have enrolled 64 members during the year representing 40 Fellow Members and 24 Associate Members meeting a total membership of 1044 as at 31<sup>st</sup> December, 2017.



Members Distribution	2017	2016
Govt. Ministries	116	108
Govt. Departments	195	183
Dist. and Div. Secretaries	172	157
Provincial Councils	20	16
Local Authorities	12	10
State Owned Enterprises	235	215
Auditor General's Department	89	87
Department of Inland Revenue	104	103
Retired members	101	101
<b>Total members</b>	<b>1044</b>	<b>980</b>

Composition of the membership as at 31.12.2017

- **Associate 421**
- **Fellow 488**
- **CPFA 135**

## 4.3 Organization and Staff

The management of the affairs of your Association is vested in the Board of Management appointed in terms of the Articles of Constitution.

The Association is managed under the directions of the Board of Management by a Technical Manager, Administrative Assistant and a Programme Assistant. The Technical Manager resigned during the year and the vacancy is being filled

Secretary, APFASL co-ordinates the activities of the association and functions as the Head of the management team. During the year the Secretary of the association Mr. K.L.Perera retired and was replaced by Mr. Ananda Amarawansa with effect from 02<sup>nd</sup> October 2017

## 4.4 Governance

Board of the Management regularly meets and during the year 6 meetings had been held. It operates as an independent body under the direction and control of the Council of CA Sri Lanka in terms of the Articles of Constitution. It maintains separate set of Accounts and prepares financial statements of its own which is audited by a qualified Chartered Accountant appointed by the association at the Annual General Meeting.

A taskforce has been set up at central level with 9 task forces operative at the provincial level to assist the association in performing its tasks effectively with three sub committees.

## 4.5 Taking leadership in strengthening public financial management practices.

During the year the association has undertaken the following professional development activities in strengthening public financial management practices in the country with the support of ADB

### **(i) adoption and implementation of Public Sector Accounting Standards:**

APFASL together with the Ministry of Finance launched and implemented ten Sri Lanka Public Sector Accounting Standards, while an additional ten standards are adopted, based on the current requirements.

The standards are made applicable to government entities which are on full accrual system, while the remaining government entities could apply them once they migrate to full accrual system. Currently the accrual system is being fast tracked by the Government with a view to modernize the public sector accounting practices.

Additionally, on the request of the Ministry of Provincial Councils and Local Governments, simplified single Public Sector Accounting Standard for Local authorities together with explanatory guidance and illustrative formats has been formulated with a view to introduce a simplified uniform accounting system replacing the Wickramanayake System of Accounting hitherto applied. This assignment was undertaken with the financial assistance from the NELSIP Project. The report of the assignment was handed over along with the Accounting Standard and the guidance. The new system will be implemented with effect from 2018.

The application of accounting standards will ensure high quality financial statements reflecting fair view of financial performance, financial position and cash flows promoting uniformity and comparability ensuring transparency, accountability and good governance.

APFASL has also been conducting a series of training programs to educate professionals from the public sector on the standards, and how to adopt and implement them.



Mr. Wikramanayaka is blessing to the new system formulated by APFASL

## (ii.) Best Annual Reports and Accounts Awards Competition:

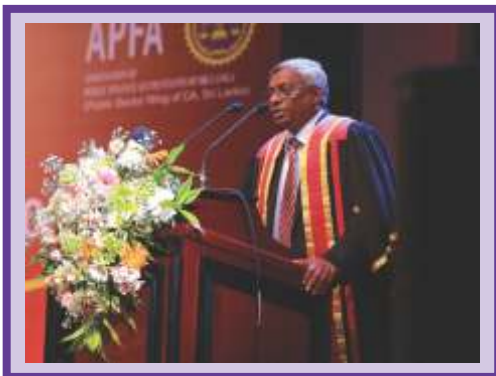
<b>Universities</b>			
<b>Winner</b>	<b>1<sup>st</sup> Runner up</b>	<b>2<sup>nd</sup> Runner up</b>	<b>Compliance Awards</b>
University of Moratuwa	University of Sri Jayawardenapura	University of Sabaragamuwa	University of Jaffna
<b>Statutory Boards</b>			
Marine Environment Protection Authority	Sri Lanka Accreditation Board	Provincial Road Passenger Transport Authority	Coconut Cultivation Board Research Institutes
<b>Research Institutes</b>			
National Engineering Research and Development Center of Sri Lanka	-	-	-
<b>Provincial Councils</b>			
North Central Provincial Council	Sabaragamuwa Provincial Council	Northern Provincial Council	-
<b>Urban Councils</b>			
Wattala Mabola Provincial Council	Kaluthara Urban Council	-	-







Best Annual Report award ceremony was held together with Convocation ceremony in 2017



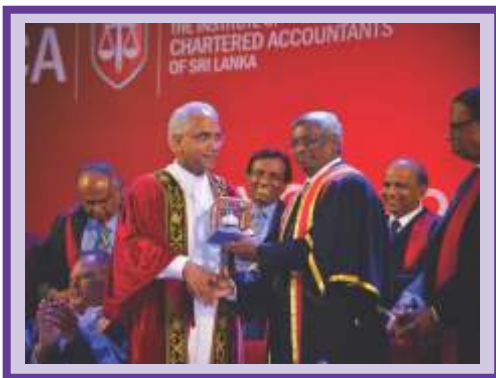


### CPFA Convocation ceremony at BMICH

In an effort to bring about excellence in financial reporting by preparing and presenting financial statements in compliance with Sri Lanka Public Sector Accounting Standards in the years to come . APAFSL has organized the Best Annual Reports and Accounts Awards competition for the public sector in collaboration with the Ministry of Finance and the Auditor General's Department in the year and continued every year here after.

The main objective of the competition is to improve the quality of annual reports and accounts issued by the public sector, thereby helping improve transparency and accountability of ministries, departments, statutory boards, local authorities' as well foreign funded projects. All government entities which have finalized their financial statements and annual reports for the year ending on 31st December 2014, applied for the Best Annual Report and Accounts Awards competition organized by APFASL in 2017

Government entities classified under the categories of; Ministries, Departments, Provincial Councils, Universities, Statutory Boards, Municipal Councils, Pradeshiya Sabhas, Foreign Funded Projects, could apply for the honours. A total of 3 awards were given under each category, namely the Best Annual Report, followed by two runners up, while there would also be an Overall Winner at the awards ceremony for complying with all the requirements as per the guidelines issued for this purpose.



### (iii) Introduction of New Professional Qualification

With a vision of raising the bar of the professionals in the public sector and to further enhance their standing in the professional arena, CA Sri Lanka together with APFASL launched the Chartered Public Finance Accountancy (CPFA), a new professional qualification exclusively for professionals in the public sector and the examination is being conducted based on the syllabuses, curriculum and the study materials obtained from CIPFA (London).

In the mean time as an initial step to enhance the standing of the country's public sector accountants, auditors and assessors and elevate their professional standing among their peers, CA Sri Lanka's public sector wing conferred initial memberships of the CPFA qualification to 135 members of public sector wing on merit basis considering their qualifications and experiences.

Convocation ceremony was held at BMICH , together with the Best Annual Report award ceremony with the blessing of his excellency the President and Hon. Prime Minister. Hon. Sarath Amunugama graced the occasion as the representative of his excellency president Maithripala Sirisena and Hon. Eran Wickramaratna, State Minister for also graced the occasion.

Orientation programmes of the CPFA members was conducted on 20<sup>th</sup> and 22<sup>nd</sup> November 2017 at Taj Samudra in Presence of Auditor General, international and national resource persons including Mr. Gary Bandy, Chartered Public Finance Accountant and the guest lecture from CIPFA London.

Further step is being taken to offer this qualification on merit basis in the second and final batch in 2018 to accommodate late applications and those who have not been able to apply due to acceptable reasons.

CA Sri Lanka with the APFASL has taken actions with the CIPFA (London) to recognize members of the Association , part of the CA Sri Lanka , who receive the CASL CPFA designation as members of the Chartered Institute of Public Finance and Accountancy (CIPFA) . This will enhance the professional status of our members with world recognized chartered public sector accountancy qualification.





Orientation programme at Taj Samudra

**(iv). Development of a Hand Book on Good Governance for Chairman and Board of Directors of Public Enterprises.**

On the direction of the Hon. Prime Minister, National Human Resource Development Council (NHRDC) in collaboration with CA Sri Lanka has initiated the development of a Hand Book on Good Governance for Chairman and Board of Directors of Public Enterprises. This hand book was developed by a committee chaired by the President APFASL along with representative of the Sri Lanka Institute of Directors, Department of Public Enterprises, Ministry of Public Enterprise Development, Ministry of National Policies and Economic Affairs, Security and Exchange Commission of Sri Lanka and Central Bank of Sri Lanka.

The 1<sup>st</sup> copy of the hand book was handed over to the Hon. Prime Minister on 5<sup>th</sup> December 2017 at the annual report award ceremony of CA Sri Lanka at the BMICH and the official launch of the hand book was held on the 10<sup>th</sup> of April 2018 at the auditorium of CA Sri Lanka with Hon. Karu Jayasooriya as the chief guest.



**(iv) Capacity Building Programs**

Conducted several capacity building programmes to update the working knowledge of the public sector financial management personnel. In this connection a prospectus, identifying training programmes on key areas selected on the need basis has been published. The Association communicated to its members and relevant institutions via e-mails and letters as and when the programmes are scheduled. These programmes along with other programmes in relation to public financial management were conducted. Details of programs conducted are shown and training activities?

**(v) Continuous Professional Development (CPD) Initiatives**

The continuous professional development is one of the main objectives of the association aiming to add values to the profession of financial management in public sector.

Steps have been taken to conduct continuous professional development programs, specially for the CPFA members as a compulsory requirement, and the CPD policy of the APFASL has been formulated.

## 4.6 Training Activities



The following Programs have been conducted during the year 2017.

No.	Name of the Program	Date	No of Participants
01.	SLPSAS (ADB) 1-10 Auditor General's Department	20,21,26 & 27 January 2017	100
02.	Assets Management	2, 3 March 2017	55
03.	SLPSAS (1-10) Southern Province & Audit	7, 8,9,10 March 2017	156
04.	Auditing & Taxation (DTET)	20, 21 July 2017	40
05.	SLPSAS(1-10) Uwa Province & Audit	31 July,1,2,3 August 2017	128
06.	Orientation Program CPFA (ADB)	20, 21 November 2017	114

## 4.9 Activities planned for the years to come

### (i) Training programs scheduled in the Prospectus

Several capacity building programme have been conducted to update the working knowledge of the public sector financial management personnel . It has been planned to conduct 28 programs in the coming year in addition to the training programmes expected for local authority staff on new standard formulated by us.

### (ii) Continuing Professional Development Programmes

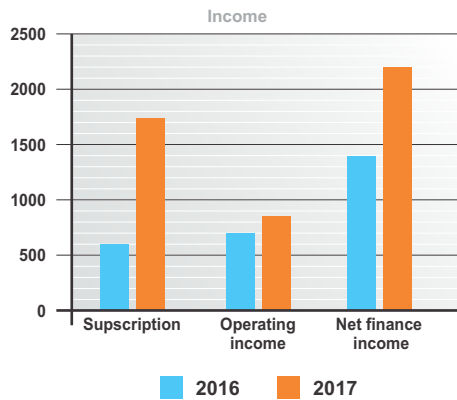
It has been planned to conduct continuous professional development programs in collaboration with CIPFA(London) for the CPFA members.

### (iii) Best Annual Reports and Accounts Awards Competition

APFASL is organizing the Best Annual Reports and Accounts Awards competition for the public sector as a continuous activity and the applications are been processed for the next year.

## 4.10 Financial Management

Financial management comes under the purview of the Treasurer who submits quarterly Accounts to the Board of Management



### Financial Performance

Financial performance of the Association for the year under review has resulted in a net surplus of Rs. 2.128 million compared with Rs. .140 million in the previous year. Surplus has been remendously increased mainly due to the increase of the income. Opearting income has been increased by 88% due to the best annual report award competition income and the NELSIP project income which were new sources of income in the year 2017. Net finance income has been increased by 63% because of interest rate increase of the fixed deposits. Total member subscription has been increased by 173% due to the new CPFA member subscription and the arrears collections.

Sources of Income	2017 Rs. (000)	2016 Rs. (000)
Members Subscription	1,744	637
Other operating Income	1,302	694
Interest on Fixed Deposits	2,216	1,357
Total	5,262	2,688



## **1. Financial Position**

In terms of the Articles of Constitution, both the Institute of Public Finance & Development Accountancy (IPFDA) and CA Sri Lanka have contributed of Rs. 10 million each to the funds of the Association and the accumulated fund as at 31<sup>st</sup> December 2017 amounted to Rs 27.169 million which represent the net assets of the Association as at 31<sup>st</sup> December 2017. This includes Rs 23.161 million of Investments held in the Bank of Ceylon in the form of fixed deposits. Association has not acquired any tangible fixed assets during the year. However Association has purchased CIPFA Patent Right (study material) worth Rs. 1.337 million in 2015 and the amortized carrying value of .669 which is shown as Intangible Assets in the Balance Sheet.

### **4.11 Membership enrollment drive to maximum benefit**

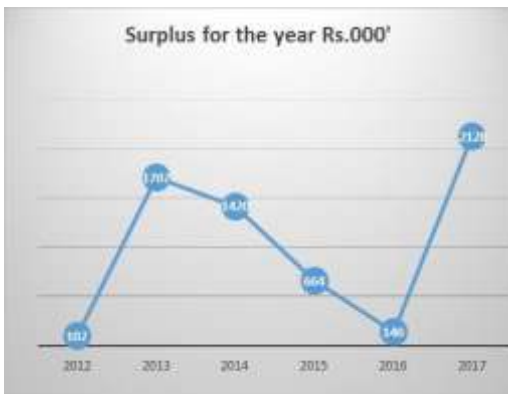
The APFASL is inviting all financial management personnel in the public sector to obtain membership of the Association in order to derive maximum benefit from the above activities. Accountants, Auditors and Assessors in the public sector who have not applied for membership of the APFASL can submit their applications and obtain their membership which will help to enhance their professional skills and competence and to have CPFA qualification through the examination route with the exemption of executive level examinations.

### **4.12 Member service.**

The member service is aiming to create values for the profession to recognize them in the service while enhancing efficiency by improving technical and other skills and offering professional level qualifications in the public sector together with the rewards for the efforts.

# HIGHLIGHTS

## Financial performances and membership improvement



## 6. Management Team



# 7. Audited Financial Statements

## INDEPENDENT AUDITOR’S REPORT

### TO THE MEMBERS OF THE ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA

#### Report on the Financial Statements

I have audited the accompanying financial statements of **THE ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**, (“the Association”), which comprise the statement of financial position as at December 31, 2017 and the statement of comprehensive income, statement of changes in funds and reserves and, statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Board’s Responsibility for the Financial Statements

The Board of Management (“Board”) is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards, and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor’s Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Association as at December 31, 2017 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

D.V. Dayaratna  
Chartered Accountant  
Colombo

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**  
**STATEMENT OF COMPREHENSIVE INCOME**

**For the Year Ended 31st December,**

	Notes	2017 Rs. '000	2016 Rs. '000
Revenue		1,744	637
Direct Expenditure		(417)	(133)
<b>Surplus</b>		<b>1,327</b>	<b>504</b>
Other Operating Income	2	1,301	694
<b>Contribution before Operating Expenses</b>		<b>2,628</b>	<b>1,198</b>
Administration Expenses	3	2,290	2,133
Other Expenses	4	425	281
<b>Total Operating Expenses</b>		<b>2,715</b>	<b>2,414</b>
Net Finance Income	5	2,313	1,357
<b>Surplus for the Year</b>		<b>2,226</b>	<b>140</b>

Figures in Brackets indicate Deductions.

The Significant Accounting Policies and Notes from page 5 to 9 form an integral part of these Financial Statements.

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA  
STATEMENT OF FINANCIAL POSITION**

**As at 31st December,**

<b>ASSETS</b>	<b>Notes</b>	<b>2017 Rs.'000</b>	<b>2016 Rs. '000</b>
<b>Non Current Assets</b>			
Intangible Assets - Educational Material	6	669	1,003
Investment in Fixed Deposits		23,255	22,316
<b>Total Non Current Assets</b>		<b>23,924</b>	<b>23,319</b>
<b>Current Assets</b>			
Receivables	7	3,865	2,674
Cash and Cash Equivalents	8	1,309	10
<b>Total Current Assets</b>		<b>5,173</b>	<b>2,684</b>
<b>Total Assets</b>		<b>29,098</b>	<b>26,003</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Accumulated Funds and Liabilities</b>			
Accumulated Fund		27,267	25,041
		<b>27,267</b>	<b>25,041</b>
<b>Current Liabilities</b>			
Accrued Expenses	9	221	254
Refundable Membership Fees		3	4
Subscriptions Received in Advance		14	9
Seminar Fees Received in Advance		102	97
NLCIP Project inadvance		1491	-
Bank Balance Overdrawn	8	-	598
<b>Total Current Liabilities</b>		<b>1,831</b>	<b>962</b>
<b>Total Funds and Liabilities</b>		<b>29,098</b>	<b>26,003</b>

The Significant Accounting Policies and Notes to the Financial Statements from pages 5 to 9 form an integr part of these Financial Statements.

.....  
**Secretary**

The Board of Management is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board.

.....  
**President**

.....  
**Treasurer**

Colombo

Date :

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**  
**STATEMENT OF CHANGES IN FUNDS AND RESERVES**

**For the Year Ended 31st December 2017**

	<b>Accumulated Fund</b>	<b>Total</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>
Balance as at 1 <sup>st</sup> January 2016	24,900	24,900
<b>Previous Year Adjustment-Receipt from World Bank</b>	-	-
Surplus for the Year	141	141
<b>Balance as at 1<sup>st</sup> January 2017</b>	<b>25,041</b>	<b>25,041</b>
<b>Surplus for the Year</b>	<b>2,226</b>	<b>2,226</b>
<b>Balance as at 31<sup>st</sup> December 2017</b>	<b>27,267</b>	<b>27,267</b>

Figures in Brackets indicate Deductions.

The Significant Accounting Policies and Notes from page 5 to 9 form an integral part of these Financial Statements.

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**  
**STATEMENT OF CASH FLOW**

**For the Year Ended 31st December,**

	<u>2017</u> Rs. '000	<u>2016</u> Rs. '000
<b>Cash Flow from Operating Activities</b>		
Surplus / (Deficit) before Tax	2,226	141
<b>Adjustments for ;</b>		
Amortization for the Year	334	334
Finance Income	(2,323)	(1,357)
Finance Cost	10	18
<b>Operating Surplus / (Deficits) before Working Capital Changes</b>	<u>247</u>	<u>(865)</u>
(Increase) / Decrease in Trade and Other Receivables	(1,191)	138
Increase / (Decrease) in Accrued Expenses	(33)	(672)
Increase / (Decrease) in Subscriptions Received in Advance	5	5
Increase / (Decrease) in Seminar Fees Received in Advance	5	-
Increase / (Decrease) in Refundable Membership Fees	(1)	-
Increase / (Decrease) in NLCIP Project in Advance	1,491	-
<b>Cash Generated from / (Used in) Operations</b>	<u>276</u>	<u>(529)</u>
<b>Net Cash Flow from / (Used in) Operating Activities</b>	<u>523</u>	<u>(1,393)</u>
<b>Cash Flows from / (Used in) Investing Activities</b>		
Interest Income	2,323	1,357
Investment in Fixed Deposits	(939)	(819)
Withdrawal of Fixed Deposit	-	485
<b>Net Cash Flow from / (Used in) Investing Activities</b>	<u>1,384</u>	<u>1,023</u>
<b>Cash Flows from / (Used in) Financing Activities</b>		
Interest Paid	(10)	(18)
<b>Net Cash Flow from / (Used in) Financing Activities</b>	<u>(10)</u>	<u>(18)</u>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	1,897	(388)
Cash and Cash Equivalents at the Beginning of the Year	(588)	(200)
<b>Cash and Cash Equivalents at the End of the Year (Note A)</b>	<u>1,309</u>	<u>(588)</u>
<b>Note A:</b>		
Cash in Hand	10	10
Cash at Bank	1,299	(598)
	<u>1,309</u>	<u>(588)</u>

Figures in Brackets indicate Deductions.

The Significant Accounting Policies and Notes from page 5 to 9 form an integral part of these Financial Statements.

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1 General Policies**

**1.1.1 Reporting Entity**

The Association of Public Finance Accountants of Sri Lanka (hereafter referred to as the “Association”) was established in terms of Articles of Constitution approved by the Council of the Institute of Chartered Accountants (hereafter referred to as “CA”) of Sri Lanka and operates as the Public Sector Wing of CA Sri Lanka.

The registered office of the Association is at No. 30A, Malalasekara Mawatha, Colombo 07.

**1.1.2 Date of Authorization for Issue**

The financial statements were authorised for issue by the Board of Management on 23<sup>rd</sup> February 2018.

**1.1.3 Principal Activities and Nature of Operations**

The functions of the Association are to strengthen the financial management practices of the public sector and uplift the quality of public sector financial management.

**1.1.4 Basis of Preparation**

**(a) Statement of Compliance**

The financial statements comprise the Statement of Financial Position (“SOFPI”), Statement of Comprehensive Income (“SOI”), Statement of Changes in Funds and Reserves (“SOCIFR”), Cash Flow Statement and Notes to the Financial Statements. These statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS & LKASs) issued by the Institute of Chartered Accountants of Sri Lanka.

**(b) Basis of Measurement**

The financial statements have been prepared on historical cost basis except where appropriate disclosures are made with regard to the fair value clarified by relevant notes.

**(c) Functional and Presentation Currency**

The financial statements are presented in Sri Lankan Rupees, which is the functional and presentation currency of the Association. All financial information presented in Sri Lankan Rupees has been given to the nearest thousand, unless stated otherwise.

**(d) Use of Estimates and Judgements**

The preparation and the presentation of financial statements in conformity with Sri Lanka Accounting Standards requires the Association to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income & expenses.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and the future period, if the revision affects both current and future periods.

Information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are included in the notes to the financial statements.

## **1.2 ASSETS AND THE BASES OF THEIR VALUATION**

### **1.2.1 Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in financial income in the statement of comprehensive income. The losses arising from impairment are recognised in the income statement in finance costs. Loans and receivables comprise of trade receivables, employee loans, deposits, advances, other receivables and cash and cash equivalents.

### **1.2.2 Short Term Investments Investments in Fixed Deposits**

Investments in fixed deposits are stated at cost and interest accrued is accounted as a receivable in the financial statements.

### **1.2.3 Patent Rights ( CIPFA Study Material)**

Amount paid to purchase CIPFA study materials is stated at cost and will be amortised over a period of four years on the straight line method.

### **1.2.4 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand and deposits at bank.

Bank overdraft is included as a component of cash and cash equivalents for the purpose of the statement of cash flows, which has been prepared using the 'indirect method'.

## **1.3. LIABILITIES & PROVISIONS**

All known liabilities as at the date of statement of financial position are included in the financial statements and adequate provisions are made for liabilities which are known to exist, but the amount of which cannot be determined accurately.

Obligations payable on demand or within one year of the date of statement of financial position are treated as current liabilities in the statement of financial position. Liabilities

**ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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payable after one year from the date of statement of financial position are treated as non-current liabilities in the statement of financial position.

**1.3.1 Defined Contribution Plans**

Obligations for contributions to defined contribution plans are recognised as expenses in the statement of comprehensive income as incurred.

The Association contributes a sum not less than 15% and 3% of the gross emoluments of employees to Employees' Provident Fund (EPF) and to the Employees' Trust Fund (ETF) respectively.

**1.4 STATEMENT OF COMPREHENSIVE INCOME**

**1.4.1 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Association and that it can be reliably measured.

- (a) Membership fees from members are recognised as revenue on receipt basis. The subscription year runs from 1 January to 31 December. Only those membership fees and subscription payments that are attributable to the current financial year are recognized as revenue. Fees and subscription payments that relate to future periods are shown in the statement of financial position as subscriptions and fees received in advance under current liabilities.
- (b) Interest income is recognised on effective interest rate according to LKAS 39.

**1.4.2 Expenditure**

- (a) Expenses are recognised in the statement of comprehensive income on the basis of direct association between the costs incurred and the earning of specific items of income.
- (b) Expenditure on examinations, seminars, courses, and other educational and members' activities is recognized in the statement of comprehensive income on accrual basis.

**1.5 Events after the Reporting Date**

The materiality of events occurring after the reporting date has been considered and appropriate adjustments, wherever necessary, have been made in the accounts.

ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA  
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December,

	2017 Rs. '000	2016 Rs. '000
<b>2 Other Operating Income</b>		
Training Income	1,146	1,670
Training Expenses	(950)	(1,269)
	<u>196</u>	<u>401</u>
Best Annual Report Award Income	840	290
Staff Loan Interest	12	3
	<u>852</u>	<u>293</u>
NLCIP Project Income	6,182	-
NILCIP Project Expenses	(5,929)	-
	<u>253</u>	<u>-</u>
Total	<u>1,301</u>	<u>694</u>
<b>3 Administration Expenses</b>		
Wages and Salaries	882	839
Insurance	38	-
Allowances	20	14
Overtime	110	115
Bonus and Ex-gratia	201	139
Medical Re-imbursement	73	70
Employees' Provident Fund	132	126
Employees' Trust Fund	26	25
Equipment Maintenance	113	111
Rent	360	360
Amortization Charge	334	334
	<u>2,290</u>	<u>2,133</u>
<b>4 Other Expenses</b>		
Bank Charges	2	3
Postage and Postal Charges	0	2
Printing and Stationery	97	64
Communication Expenses	78	65
Audit Fees	18	18
Transport Charges	4	5
CPFA Expenses	-	100
Committee Meeting	155	24
Best Annual Report	69	-
	<u>425</u>	<u>281</u>
<b>5 Net Finance Income /(Cost)</b>		
<b>Finance Income</b>		
Interest Income on Held - To -Maturity Investments		
Gross Income	2,553	1516
Withholding Tax	(230)	(141)
	<u>2,323</u>	<u>1,375</u>
<b>Finance Cost</b>		
Interest on Overdraft	(10)	(18)
	<u>(10)</u>	<u>(18)</u>
<b>Net Finance Income</b>	<u>2,313</u>	<u>1,357</u>

Contd.....

ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA  
NOTES TO THE FINANCIAL STATEMENTS

As at 31st December,

**6 Intangible Assets**

Cost

	<u>Balance as</u> <u>at</u> <u>01.01.2017</u> Rs. '000	<u>Additions</u> Rs. '000	<u>Balance as at</u> <u>31.12.2017</u> Rs. '000
Educational Material	1,337	-	1,337
<b>Total</b>	<u>1,337</u>	<u>-</u>	<u>1,337</u>

Amortization

	<u>Balance as</u> <u>at</u> <u>01.01.2017</u> Rs. '000	<u>Charged during</u> <u>the Year</u> Rs. '000	<u>Balance as at</u> <u>31.12.2017</u> Rs. '000
Educational Material	334	334	668
<b>Total</b>	<u>334</u>	<u>334</u>	<u>668</u>
<b>W.D.V</b>	<u>1,003</u>		<u>669</u>

**7 Receivables**

	<u>2017</u> Rs. '000	<u>2016</u> Rs. '000
Festival Advance	2	2
Seminar Expense Receivable from ADB	1,760	1,304
Interest Income	1,513	845
Seminar Income	96	96
Staff Loans	248	332
Best Annual Report Award Competition Income Receivable	245	95
	<u>3,865</u>	<u>2,674</u>

**8 Cash and Cash Equivalents**

**Favorable Balances**

Cash at Bank	1,299	-
Cash in Hand	10	10
	<u>1,309</u>	<u>10</u>

**Unfavorable Balances**

Bank Overdraft	-	(598)
	<u>-</u>	<u>(598)</u>

**9 Accrued Expenses**

Audit Fees	18	18
Seminar Expenses	18	18
Communication Expenses	5	8
Rent	180	210
	<u>221</u>	<u>254</u>

## 8. CORPORATE INFORMATION

**Name of the Association** : ASSOCIATION OF PUBLIC FINANCE ACCOUNTANTS OF SRI LANKA

**Affiliations:** : Affiliated to CA Sri Lanka (Public Sector Wing of CA Sri Lanka)

**Address** : 30A, Malalasekera Mawatha, Colombo 07.

**Telephone** : (011) 2055857 / 2352000

**Facsimile Number** : (011) 2055857 / 2352060

**E- Mail** : apfasl@casrilanka.com

**Web Site** : www.casrilanka.com

**Banker** : Bank of Ceylon

**Auditor** : Mr. S.M.N.L. Senanayake  
Ms. Tudor V Perera & Co.  
P.O. Box 1177  
De Mel Building, 3<sup>rd</sup> Floor,  
No. 103, Chatham Street,  
Colombo 01

**Registered Office** : No. 30A, Malalasekera Mawatha, Colombo 07

# ■ 9. Notice of the Annual General Meeting ■